

L. JOYCE HAMPERS
COMMISSIONER

The Commonwealth of Massachusetts

Department of Revenue

Leverett Saltonstall Building,

100 Cambridge Street, Boston 02204

February 2, 1981

("Center") is a small printing and photocopying business. You inquire whether the Center's purchase of the following equipment used in its printing operations is subject to the sales tax:

- (1) offset printing presses;
- (2) padding presses that bind cardboard or other backing to pads of paper;
- (3) folding machines;
- (4) machines used to staple booklets, brochures and the like;
- (5) collating machines;
- (6) paper-cutting machines;
- (7) paper drills;
- (8) joggers used to align sheets of paper into compact piles;
- (9) cameras used in plate-making;
- (10) light tables used for layout work and setting out printing jobs; and
- (11) typesetting machines.

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Massachusetts General Laws Chapter 64H, Section 6(r) exempts from sales taxation sales of materials, tools and fuel, or any substitute therefor, which are consumed and used directly and exclusively in an industrial plant in the actual manufacture of tangible personal property to be sold.

Chapter 64H, Section 6(s) exempts from sales taxation sales of machinery or replacement parts thereof used directly and exclusively in an industrial plant in the actual manufacture, conversion or processing of tangible personal property to be sold. To be exempt, machinery must be

(a) used solely during a manufacturing, conversion or processing operation

1. to effect a direct and immediate physical change upon tangible personal property to be sold;
2. to guide or measure a direct and immediate physical change upon such property where the guiding or measuring is an integral and essential part of tuning, verifying or aligning the parts of such property; or
3. to test or measure such property where the testing or measuring is an integral part of the production flow or function; or

(b) used solely to

1. store;
2. transport or convey; or
3. handle

such property during the operations listed in (a) above; or

(c) used solely to place such property in the container, package or wrapping in which it is normally sold to the ultimate consumer.

If machinery does not satisfy the above criteria, it is not exempt even if its operation, function or purpose is an integral or essential part of a continuous production flow or manufacturing process.

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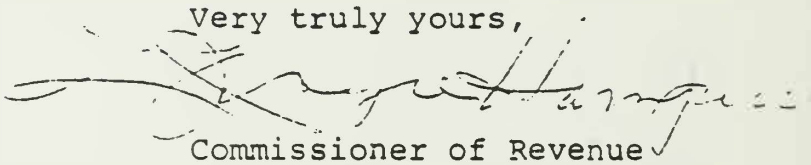
Based on the foregoing, it is ruled that:

(1) sales to the Center of items (1) through (8) (the printing presses, padding presses, folding, stapling, collating and paper-cutting machines, paper drills and joggers) are exempt from tax; and

(2) sales to the Center of items (9) through (11) (the cameras used in platemaking, light tables and typesetting machines) are subject to tax.

I am enclosing a copy of Regulation 830 CMR 64H.04.

Very truly yours,

A handwritten signature in dark ink, appearing to read "L. J. H. D.", is written over a horizontal line. The signature is fluid and cursive.

Commissioner of Revenue

LJH:JXD:mf

Enclosure

LR 81-13